



May 15, 2017

The Honorable E. Scott Pruitt
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, D.C. 20460

Docket ID Number: EPA-HQ-OA-2017-0190

Dear Administrator Pruitt,

On behalf of the National Corn Growers Association (NCGA), I would like to thank you for the March 24 memo establishing a Regulatory Reform Task Force to evaluate existing regulations and make recommendations regarding those that can be repealed, replaced or modified to make them less burdensome. NCGA wishes to provide comments to the Environmental Protection Agency [the agency] regarding your April 11 notice (EPA-HQ-OA-2017-0190) seeking public comment on regulatory reform.

Founded in 1957, NCGA represents approximately 40,000 dues-paying corn growers and the interests of more than 300,000 farmers who contribute through corn checkoff programs in their states. NCGA and its 48 affiliated state associations and checkoff organizations work together to help protect and advance corn growers' interests. Requirements imposed by the agency through regulations can have significant impacts on America's farmers; many of these impacts can be felt in the areas outlined by the agency for review.¹ Below, we have identified regulatory obligations that can be modified or repealed consistent with the environmental laws and the statutory intent that Congress has enacted.

We applaud the agency for seeking public comment, and we stand ready to work with you as you consider these recommendations. We greatly value your efforts and wish your agency success as you move forward in alleviating the unnecessary and costly regulatory burdens on America's farmers. If you have any further questions, please do not hesitate to contact our DC office at 202-628-7001.

¹ In its notice, EPA has specifically asked for recommendations that address regulations that, *inter alia*, "(i) eliminate jobs, or inhibit job creation; (ii) are outdated, unnecessary, or ineffective; (iii) impose costs that exceed benefits; (iv) create a serious inconsistency or otherwise interfere with regulatory reform initiatives and policies; (v) are inconsistent with the requirements of section 515 of the Treasury and General Government Appropriations Act, 2001 (44 U.S.C. 3516 note), or the guidance issued pursuant to that provision in particular those regulations that rely in whole or in part on data, information, or methods that are not publicly available or that are insufficiently transparent to meet the standard or reproducibility..."

I. Reid Vapor Pressure (RVP)

A strong biofuels sector is vital not only to corn growers' economic security, but important to our nation's energy security as well. In the 2016 crop year, nearly a third of U.S. corn production, or 4.2 billion bushels, was used as feedstock to produce more than 15 billion gallons of ethanol, and ethanol production returned 1.1 billion bushels of corn to feed livestock and poultry in the form of distillers' grains.

Ethanol production reached an all-time high in 2016. Looking forward, corn growers want to build on the effective volume level of 15 billion gallons EPA set for 2017 through the annual Renewable Fuel Standard (RFS) rulemaking, in line with Congressional intent. With stability in administration of the RFS, corn growers can increase demand for home-grown ethanol that saves consumers money at the pump, has 43 percent lower greenhouse gas emissions than gasoline and supports thousands of jobs in rural communities, all while supporting the bottom line of corn growers nationwide.

Recommendation: In order to expand market access for renewable fuels, NCGA recommends EPA take the following actions:

- ☐ Use EPA's authority to provide regulatory relief to allow year-round use of ethanol blends greater than 10 percent, such as EPA-approved E15. Providing E15 with the same Reid Vapor Pressure 1 psi waiver as EPA provided E10 will allow retailers in all areas of the country to sell E15 year round, providing environmental benefits in the form of lower exhaust emission, more competition to lower fuel prices for consumers and increased market access for farmers.

II. Renewable Fuels Standard (RFS)

The Energy Independence and Security Act of 2007 established lifecycle greenhouse gas (GHG) emission thresholds for different types of renewable fuel when compared to lifecycle GHG emissions for gasoline or diesel. EPA last updated its lifecycle analysis for corn-based ethanol in 2010, projecting that corn-based ethanol would produce 21 percent fewer GHG emissions when compared to gasoline by 2022. This outdated lifecycle analysis for corn-based ethanol is hindering ethanol exports, as well as expansion of domestic ethanol use.

Recommendation: In order to reflect the 10 years of ethanol expansion since the RFS2 law was put in place in 2007, NCGA believes it is imperative for EPA to update its lifecycle analysis.

- ☐ Update EPA's lifecycle analysis for corn ethanol as the agency committed to do in the 2010 RFS2 rulemaking process and review and update EPA modeling and procedures that affect biofuels.

Other federal government agencies have issued updated GHG lifecycle analysis for ethanol based on actual corn and ethanol production experience and new data, producing significantly more relevant information. Most recently, an analysis prepared for the U.S.

Department of Agriculture and released in 2017 shows corn-based ethanol results in 43 percent fewer GHG emissions when compared to gasoline.

If additional GHG-reducing technologies trends continue, GHG emissions reductions could reach 48 percent by 2022, and if new ethanol and corn production technologies become widespread, emissions reductions could be 76 percent less than gasoline, according to the USDA analysis. The law requires EPA to determine a GHG threshold. Other parties, such as export customers, use this threshold as a basis for decisions; therefore EPA must update its very outdated lifecycle analysis.

Related as part of EPA's regulatory review, NCGA believes EPA should also review and update its emissions modeling and fuel petition procedures in order to help ensure sound regulatory decision making for future high-octane fuels such as higher ethanol blends, including the MOVES2014 model and the fuel petition and registration processes.

III. 'Waters of the US' (WOTUS) Rule (80 Fed. Reg. 37054, June 29, 2015; 40 CFR 230.3)

NCGA is supportive of Executive Order 13778, which directs EPA and the Army Corps to review the 2015 WOTUS rule.

Recommendation: We have serious concerns with the 2015 rule and support Agency efforts to rescind and replace with a rule that is grounded in the 1972 CWA's foundational concept that WOTUS are part of US "commerce" and that navigability is their defining feature leading to commerce.

NCGA is committed to working with the Agency on a rule that provides both clarity and certainty for farmers and that achieves the CWA's underlying goal of protecting the chemical, physical, and biological integrity of the nation's waters.